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Citizen Participation in Budgeting Theory

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Citizen participation in government budgeting processes is a topic that has received attention for many decades. Despite prescriptive exhortations to cities, research in this area has significant limitations. We identify four elements that are believed to influence the participation process. The variables within each element have received attention in the empirical literature, but no systematic effort has been made to uncover interaction effects and extend theory to make it more robust. We consider the weaknesses of our knowledge, suggest an impact model of citizen participation in budgeting, and identify hypotheses that may be tested in future research.

Many state and local governments are currently struggling with fiscal stress—in some cases, the worst they have experienced in decades. Painful decisions are required regarding spending and service reductions or tax and fee increases. This appears to be an important time for citizens to play a role in helping elected officials determine the best solutions for government and the community.

Calls for citizen participation in resource-allocation decisions have been heard in the past. During the early 1900s, Frederick Cleveland, one of the founders of the New York Municipal Research Bureau, noted that government should be both responsive and efficient and that ensuring effective government was the duty of both elected officials and citizens. The introduction of rational administration separated from value-driven political decisions might have signaled an ideal opportunity to solicit input from the citizenry regarding budgetary preferences. However, the emphasis on technical expertise brought about by the call for rational analysis silenced the average citizen and shifted control over the debate to government officials (Kelly and Rivenbark 2003).

During the 1990s and into the new millennium, the concern with cynical, distrustful citizens has led governments to focus again on gathering citizen input during budgeting.

Later, the Great Society programs brought the language of “maximum feasible participation” through citizen participation mandates included in social service block grants (Moynihan 1970). Dubbed an “experiment in the governmental process” (Barber 1966), this and other efforts culminated in Arnstein’s typology, which described a “ladder of citizen participation,” in 1969. In this ladder, each of the eight rungs corresponded to the extent of citizen empowerment, ranging from manipulation (nonparticipation) at the lowest rung to meaningful, substantive engagement at the top rung.

The 1970s introduced the survey as a means for determining citizens’ policy preferences (McIver and Ostrom 1976; Webb and Hatry 1973). Despite this methodological advancement, cities struggled to interpret and apply the preference data (Hatry and Blair 1976; Rosener 1978).

During the 1980s, the new buzzword was “stakeholders,” and the concern in the literature and among practitioners was the need to deliberately include citizens and other actors in governmental policy making (Mark and Shotland 1985; Mason and Mitroff 1983; Wilson 1983). During the 1990s and into the new millennium, the concern with cynical, distrustful citizens has led governments to focus again on gathering citizen input during budgeting. These actions have been complemented by an abundance of articles in the public administration literature dealing with the desirability and promise of citizen participation in governance.

Fast forward to today’s fiscal stress, and again, we see that many governments are struggling with how to include citizens in budgetary decision making. Why is this issue continuously being addressed? Are we trapped in a vicious cycle of normative prescriptions

about what should be done, followed by positivist theorizing, both of which are arguably disconnected from the empirical evidence? In practice, as study after study has suggested, citizen participation in budgetary decision making is typically minimalist and yields few, if any, directly observable results. Are city government officials wasting a valuable opportunity to understand and refine the priorities of the community, to educate the public about fiscal priorities and trade-offs, to enhance trust and transparency in government, and to pull together as a community? Or are they acting in a pragmatic fashion, gathering and considering policy preference information using other input mechanisms?

Alternatives to gathering input when the budget is being formulated exist, of course. Instead of taking the time and effort to involve citizens during resource-allocation decisions, governments can wait until they experience voter distrust and anger, as in the stringent tax-and-spending constraints on state and local governments during the past couple of decades and the recent California gubernatorial recall. To win elections, candidates promise that huge budget gaps can be dealt with through greater efficiencies, with no impact on essential services or tax increases; such promises are difficult to keep and inevitably prompt greater citizen disillusionment. Wouldn't it be better to start the discussions earlier—to help citizens understand the realities of the fiscal situation—rather than pretend that miracles can happen in government? Alternatively, do we lack sufficient knowledge about the key elements of citizen participation that lead to “successful” outcomes and, in the absence of good theories, are forced to believe in miracles?

The research questions underlying this paper build on each other. First, what do we know about citizen participation in the budget process? Second, what do we suspect? Third, what are the gaps or the missing links in our knowledge? And finally, how can we move theory forward? We argue that there is a need for more rigorous theorizing using empirical evidence to model causal relationships. The incessant theorizing about the worth of participation continues without acknowledging the gap between theory and practice and without taking any proactive steps to make participation more beneficial to practitioners or to make theory more robust. This effort can benefit practitioners who are searching for ways to reach out to the public, or to do so more successfully than they have done in the past. It can also benefit the scholarly community by systematically assessing existing theory, identifying weaknesses and gaps, and proposing possible directions for future research that would expand our knowledge in this area.

This article is divided into three sections. First, to determine what we know about the problem, we review

the extant literature. This section also forms the basis for an inventory of our knowledge base in the discipline. The second section systematically examines the strengths and weaknesses of existing theory in a more positivist perspective. Using this, we present an impact model of the citizen-participation process to address the voids in our knowledge of the process. The final section uses this information to consider future directions to move theories of citizen participation forward into more productive areas.

The Literature on Budget Participation: Evolution or Stagnation?

When attempting to aggregate the citizen-participation literature, a number of common elements deemed critical to structuring budget participation emerge (see table 1). Three commonly reported elements (independent variables) represent (1) the governmental environment, (2) the design of the process, (3) the mechanisms used to elicit participation. The fourth element (a common dependent variable) represents the goals and outcomes desired from participation in budgetary decision making.

Environment

There is some evidence that the governmental environment is related to the involvement of citizens in the budgeting process. Four components of the environment are identified in the literature: (1) structure and form of government, (2) political dynamics and culture, (3) legal requirements, and (4) population size and heterogeneity.

Scholars have considered the influence of variation in the structure and form of local government on the

Table 1 Key Elements of Citizen Participation in Budgeting

Elements	Variables
Environment	<ul style="list-style-type: none"> • Structure and form of government • Political culture • Legal requirements • Population size and diversity
Process design	<ul style="list-style-type: none"> • Timing • Type of budget allocation (by program or earmarked funds, operating, capital) • Participants (selection method, numbers, representativeness) • Sincere preferences/willingness to pay
Mechanisms	<ul style="list-style-type: none"> • Public meetings • Focus groups • Simulations • Advisory committees • Surveys
Goals and outcomes	<ul style="list-style-type: none"> • Reduce cynicism • Educate participants about the budget • Gain support for budget proposals • Gather input for decision making • Change resource allocation • Enhance trust • Create a sense of community

likelihood that participation will be utilized. Kweit and Kweit (1981) found that communities with the council-manager form of government, because they employ a full-time professional, are more likely to seek citizen input. Ebdon (2000a) found differences between at-large mayoral elections and district-based city council elections in terms of the city's likelihood of seeking citizen budget input, but the results were not statistically significant. Nalbandian (1991) suggested that cities with a council-manager form of government may be more likely to encourage citizen participation, and he later found (1999) that city managers have become much more focused on facilitating participation in public policies during the past 10 years. This was supported by Ebdon (2002), who found that council-manager cities are more likely to use formal budget-participation methods as well as methods that are not specifically related to the budget, such as citizen surveys and strategic planning.

Political culture may also be an important variable in the environment's influence on budget participation because the history of participation is a fairly good predictor of the forms that participation will take (Kweit and Kweit 1981). Miller and Evers (2002) suggest that the government must want to seek participation as much as the participants want to give it, and citizens are less likely to participate if the political environment is not positive and accepting of input. Using Elazar's political culture typology, Ebdon (2002a) found differences in the use of budget-participation methods in cities with varying political cultures. Northern moralistic cities generally have greater use of participation, followed by southern cities with traditional cultures, with the least participation in individualistic cities in the middle portion of the country.

Most states impose certain legal budget requirements on local governments (such as public hearings) that may either enhance or constrain participation. In Kansas, for example, public hearings must be held after publication of the maximum amount of the budget and tax levy, reducing the potential influence of citizens (Ebdon and Franklin 2004). In other cases, voter referenda are required for governments to increase taxes or to issue general-obligation debt. The City of Dayton, Ohio, did not lose a tax election over a 20-year period, a feat that was at least partially attributed to its use of community neighborhood boards (Gurwitt 1992). Referenda are even used for budget approval in a few places, such as New York State school districts, where districts with referenda were found to spend less than districts without this requirement (Ebdon 2000b). Legal requirements can also have unintended effects. Orosz (2002) suggests that a focus on minimum legal requirements can lead to a gap between advocated and actual participation opportunities.

Population size and heterogeneity may also affect the participation environment. Participation has been found to be more prominent in larger cities (Wang 2001; O'Toole, Marshall, and Grewe 1996; Ebdon 2000a). Larger cities are more heterogeneous, which might lead to increased political conflict because of varying group demands (Protasel 1988). Citizens in these cities might desire increased access to decision makers (Nalbandian 1991). However, heterogeneity as defined by racial diversity was not found to be related to the use of budget participation in council-manager cities (Ebdon 2000a).

These findings suggest some convergence in what we know about the relationship between environmental factors and citizen participation in cities: (1) The council-manager form of government appears to be more likely to solicit input; (2) the city's political culture might condition perceptions (among politicians and citizens) about the need for participation; (3) state laws often dictate what cities will do; and (4) larger cities are more likely to formalize the participation process because heterogeneity creates demand for increased access. But, as noted earlier, there are some areas of divergence in the findings, suggesting many gaps in our knowledge.

Process Design

The literature cites a variety of considerations, such as timing, type of budget allocation, participants, and gathering sincere preferences, when designing the participation process. Timing is important because input that is received late in the process is less likely to have an effect on outcomes (Callahan 2002; Franklin and Ebdon 2004; Johnson 1998; Kathlene and Martin 1991; King, Feltey, and Susel 1998; Preisser 1997; Thomas 1995). This would suggest that budget input is more beneficial during the preparation stage rather than the budget-adoption phase. There are examples of budget input occurring early in the process (Johnson 1998; Roberts 1997; Simonsen and Robbins 2000), but other studies have found participation used more frequently at the end of the process (Ebdon 2000a, 2002; Ebdon and Franklin 2004).

Much of the research has focused on the operating budget. However, input is also used—and may be more common in—other types of resource allocation. For example, one-third of 28 sampled midwestern cities had participatory processes for the allocation of nonoperating funds or for particular portions of the operating budget. These included capital improvement, Community Development Block Grants, and earmarked funds for community agencies (Ebdon 2002).

The selection of participants is another important design component. Researchers suggest that participation should be open to large numbers of people (Kathlene and Martin 1991; Thomas 1995). Participants should

also be representative of the community, to give wide access and not close anyone out of the process (Crosby, Kelly, and Schaefer 1986; Johnson 1998; Kathlene and Martin 1991; Thomas 1995; Watson, Juster, and Johnson 1991). The participant-selection method might also be critical; for example, city officials could invite individuals based on neighborhood involvement, or individuals could self-select (Franklin and Ebdon 2004). Selection methods that purposively seek to include a wide range of perspectives are better received than those in which selection is perceived as cronyism that supports a particular political agenda.

The ability to gain information about sincere preferences or the willingness to pay for public services is also cited as important in the literature. Studies have found a discontinuity between citizen demands and their willingness to pay taxes (Glaser and Denhardt 1999; Glaser and Hildreth 1996). In some cases, individuals might state a higher preference for a service if they believe they will not have to pay their fair share (Wilson 1983). Therefore, it might be desirable to take this into consideration to understand true preferences.

We have a good understanding of variables that have been found to be important to participatory design. The timing is critical: It should occur early, but often does not. And input may vary by the type of budget allocation being made. Care must be taken in soliciting input that is both representative and collective rather than individually interested; input should be sincere or a true expression of willingness to pay (or make trade-offs).

Mechanisms

Many methods, each with strengths and weaknesses, have been used to elicit participation in the budget process including: public meetings, focus groups, simulations, committees, and surveys (Ebdon 2003). Public meetings are not very good at giving citizens direct influence, but they can be used as forums for preliminary information sharing (Adams 2004; Kweit and Kweit 1981). Public budget meetings are common; at least one open public hearing is required in most governments before budget adoption. As noted earlier, the timing of these hearings is often a constraint. Attendance is generally low unless a “hot issue” is involved, such as proposed tax increases or service reductions (Ebdon 2002). In addition, attendees may not be representative, and they may have little knowledge of the budget as a whole (Thomas 1995). However, public meetings can be useful. One school superintendent used a four-month, community-wide process involving more than 2,000 citizens to successfully determine how to make substantial budget reductions; the superintendent’s recommendations, based on this

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input, were adopted unanimously by the board of education (Roberts 1997).

Focus groups tend to be more selective than other methods because they are generally small groups (Thomas 1995). They have three fundamental strengths: exploration and discovery, context and depth, and interpretation (Morgan 1997), each of which can be useful to city officials wishing to determine citizens’ preferences. However, they also can fall victim to groupthink (Janis 1982) and the contagion effect (Sigel 1996) and may be nonrepresentative (Rosenthal et al., 1999). Despite these limitations, focus groups can be used to gain in-depth opinions regarding budget preferences and to come to consensus on specific issues.

Budget simulations reveal sincere preferences because they require participants to make trade-offs to balance the budget. Eugene, Oregon, used a budget-balancing exercise along with citizen surveys to determine responses to fiscal stress (Simonsen and Robbins 2000). Wichita, Kansas, has also used simulations as part of their annual budget process to educate citizens about the difficulties of balancing the budget (Ebdon and Franklin 2004).

Citizen budget advisory committees have been used in some places. These are better than other methods at informing participants about budget issues. However, participation is limited and may not be representative, and they can be costly in terms of time and effort (Irvin and Stansbury 2004; Thomas 1995). One study found that advisory committees are effective when appointments are made in a democratic manner and when the committees have clear goals (Callahan 2002).

Finally, citizen surveys can be useful for understanding citizen satisfaction and needs (Miller and Miller 1991; Webb and Hatry 1973) and can be designed to determine sincere preferences (Ferris 1982). They can be representative of the public at large, but they may not show the intensity of an individual’s opinions regarding services (Thomas 1995). In addition, question wording is critical—citizens do not always have sufficient information to render educated opinions—and surveys can be expensive (Hatry and Blair 1976).

The National Civic League fosters enhanced efforts toward citizen engagement. A number of new mechanisms are being used to promote this goal. For example, recent issues of the *National Civic Review* have highlighted the use of study circles (Leighninger 2002; McCoy and Scully 2002) and town meetings (Lukensmeyer and Brigham 2002) to address community issues.

These types of activities could be used to foster participation in budget decision making.

Some governments use multiple-input methods, permitting the weaknesses of one method to be offset by the strengths of others. For example, the Eugene experience included public meetings, a budget balancing exercise, and citizen surveys (Simonsen and Robbins 2000). Hillsborough County, Florida, holds public hearings during budget consideration as well as advisory committees, surveys, and community meetings throughout the year (Johnson 1998).

Many mechanisms and combinations of mechanisms have been tried, with mixed results and little, if any, institutionalization that would allow for longitudinal studies. Research has shown the strengths and weaknesses of various input methods. Determination of the appropriate mechanism should be related to the participation goals. The mechanism chosen also must have a direct relationship to the design elements. However, we still know very little about how these decisions are made in governments across the country.

Goals and Outcomes

The next element that is important to citizen participation considers both the goals and outcomes of participation. Goals should be set at the beginning of the citizen-participation process, and outcomes should be assessed and compared to what was expected when the goals were established. Five potential goals for budget input have been identified in the literature: (1) informing decision making, (2) educating participants on the budget, (3) gaining support for budget proposals, (4) influencing decision making, and (5) enhancing trust and creating a sense of community.

The first goal, informing decision making, is often accomplished through passive participation in which citizens communicate their level of satisfaction with the proposed budget to decision makers through testimony at public hearings. This activity represents a one-way flow of information because citizens are commenting on a reality that has already been constructed by officials (Arnstein 1969). There is little opportunity to influence decisions; instead, any impact takes the form of ratifying what is intended. Although it is true that decision makers receive a more accurate expression of preferences, no channel is provided for feedback or negotiation.

Education can be an important goal of budget participation, as much of the research has stressed. Government budgets can be complex, with multiple funds and inherent trade-offs in decision making (Bland and Rubin 1997; Kahn 1997). Budget participation has been found to be beneficial in educating citizens about these complexities (Ebdon 2002; Franklin and Ebdon 2004).

Some also view participation as useful in marketing their proposals to the public. For example, the city of Auburn, Alabama, uses citizen surveys to assess citizen satisfaction and solicit perspectives. In one case, the city found that the public did not agree with its priorities, so the city council enhanced publicity and communication to “sell” the public on the importance of those issues (Watson, Juster, Johnson 1991).

Finally, a goal of participation (especially for citizens) may be to actually influence decision making. Input has been found to affect budget decisions in some cases. Multiple authors have reported on citizen-participation processes in which public officials said this input was influential in their final resource allocation decisions (Ebdon 2002; Franklin and Carberry-George 1999; Roberts 1997; Simonsen and Robbins 2000; Watson, Juster, and Johnson 1991). However, Franklin and Ebdon (2004) could not point to any changes in resource allocation from their case studies. Instead, citizen input was used to confirm proposals made in other venues or to set the stage for discussion of modification in later years.

Wang (2001) found that managers often associate participation with increased public trust, but they do not limit this goal to the budgeting process. In fact, one of the weaknesses of the literature is that trust has not been investigated as it pertains specifically to the budget process. Participation as a means to create a sense of community may also be considered important. Some scholars argue that enhanced participation is a crucial way for citizens to recognize and assert their duties as citizens and vital members of the community (Box 1998; King, Stivers, et al. 1998).

In sum, participation goals may relate to “high-road” purposes (Rohr 1989) such as enhancing trust or creating a sense of community, but this is difficult to do and little information on the direct results of these efforts exists. Other purposes take the “low road,” such as education, gaining support, and influencing decisions (Bruce 1995). There is consensus that goals should be clearly articulated by the decision makers before the process begins (Crosby, Kelly, and Schaefer 1986; Kathlene and Martin 1991; Rosener 1978; Simonsen and Robbins 2000; Thomas 1995). Unfortunately, goals may vary among actors and over time.

Few studies have systematically measured the outcomes of budget participation. Citizens in cities with more participation are more likely to believe that agencies are responsive to their concerns (Halvorsen 2003) and less cynical about local government (Berman 1997), but results for budget participation are not as clear. One study of managers associated participation with increased public trust in general, but not specifically for budgeting (Wang 2001). We suggest that participation is valuable because it provides an opportunity to gather input and encourages two-way

communication, but seldom are resource-allocation decisions modified as a direct result of input (Ebdon and Franklin 2004; Franklin and Ebdon 2004). Instead, city officials claim that input is considered along with preferences simultaneously received from other sources, and decisions reflect aggregated priorities.

Inventorying Our Knowledge and Identifying Gaps

As the previous section demonstrated, there is great variation in the participatory opportunities that cities have devised for getting input during the budget process. Why is participation apparently not uniform in the budget process (aside from the public hearing at the end of the exercise)? Obstacles have been identified in each of the approaches discussed earlier. First, conditions in the political environment may limit the commitment of city officials to seeking or using input. Professional administrators may have concerns about sharing decision making on complex issues with the public (O'Toole and Marshall 1988; Thomas 1995), and administrators and elected officials may feel that citizens already have sufficient access or that increased input makes their jobs even harder (Bland and Rubin 1997; Thompson and Jones 1986). To further complicate the issue, finance officers have been found to desire participation, but they would like elected officials to initiate it (Miller and Evers 2002). Environmental factors may also have inconsistent effects on participation (Ebdon 2002), which raises interesting but unanswered questions about the relationship between the environmental factors and participatory outcomes.

Process-design variables present another set of obstacles that are not easily overcome. It is difficult to find a group of representative citizens willing to commit the necessary time and effort to learn about complex public budgets (Ebdon 2002; Frisby and Bowman 1996; King, Feltey, and Susel 1998; Miller and Evers 2002), particularly in a way that will get beyond the propensity to focus on issues of narrow self-interest. In addition, too much participation may actually dilute effectiveness—for instance, attendance at public meetings by “regulars” who always have something to say (Ebdon 2002).

No participatory mechanism is without weaknesses. A big difference among the mechanisms is the type of communication they foster between citizens and public officials. For example, surveys and public hearings tend to provide one-way information regarding citizen opinions. One-way communication can occur in the other direction as well. When city officials release budget information, the nature of the data reported and the timing of its release can shape citizens' perceptions of the budget process and the likelihood that their participation is valued. Even the professionalization of the public information office can be an indi-

rect signal that communicates city officials' expectations regarding participation.

Almost universally, the input process is portrayed as occurring linearly and in reference to a single budget cycle rather than as an ongoing two-way dialogue (Beckett and King 2002). Although scholars have concluded that participation is more beneficial when it involves two-way communication (Crosby, Kelly, and Schaefer 1986; Frisby and Bowman 1996; Kathlene and Martin 1991; King, Feltey and Susel 1998; Thomas 1995), evidence of this in the budget process is mixed. Individual cases of two-way dialogue are found in the literature (such as Roberts 1997), but results of surveys and multicity interviews show relatively little use of two-way input mechanisms in the budget process (Ebdon 2000a, 2002).

Cost and frequency of input may be factors in the lack of two-way communication. Two-way methods may take more time and effort. Some studies of budget participation have focused on fairly time-consuming, one-time deliberative methods for a specific purpose, such as dealing with serious fiscal constraints or long-term planning (e.g., Roberts 1997; Simonsen and Robbins 2000). It may be more difficult to use intensive methods on a regular basis, such as the annual budget process.

Significant gaps exist in our knowledge of participation in the budget process. This is partly the result of the methodologies used to date. The empirical work has largely been case studies, small limited samples, key informant interviews, or a very few questions on budget participation included in broader surveys. The empirical literature reflects this diversity in reporting what works in practice and relating this experience to theory. Missing are large-scale research projects and longitudinal analyses. The reporting of case studies is important from a descriptive perspective, but without taking the next step to generalize this information and deductively test our conclusions, we cannot advance the development of theory.

One significant gap in our knowledge relates to the interaction effects between the different factors. For example, we have some evidence that environmental factors are important, but know little about how those variables relate to the goals and effects of participation or to the design and mechanisms used to elicit participation. We know the most about the relationship between process design and mechanisms, such as the strengths and weaknesses of various mechanisms. Much more is unknown, however, such as the goals or mechanisms used for input into allocation of earmarked funds or capital plans as opposed to operating budgets. The goals of participation might be different in large cities or those with different forms of government, which could affect the design and mechanisms used.

Frequency of use of input methods is also an important variable; the literature includes examples of annual input activities as well as one-time activities, but we do not know which is more common and the extent to which input has become institutionalized within governments. Because of the nature of the empirical data though (case studies and small samples), we do not know much about how these variables work together.

A glaring weakness in our theory building is that we have very little empirical knowledge about the goals and outcomes of participation. The literature shows that it can be pursued for both high- as well as low-road reasons. Unfortunately, it appears that the purpose of participation is seldom explicitly articulated, leading to varying expectations and little means for determining whether the results are acceptable or even exceed the costs of the activity (Ebdon and Franklin 2004). These differing goals can color perceptions of the effectiveness of participatory efforts and affect the determination of whether the outcomes are sufficient to justify them.

In addition, most of the literature on budget input has examined cities. A next step would be to study the use of budgetary participation in other governmental units, such as school districts, counties, special districts, and states. Needs and designs might be very different in single-purpose versus general-purpose governments, for example.

Finally, the study of citizen participation may suffer from a lack of conceptual precision—do we have adequate face validity in the elements we study? There are a number of cases in which participation is designed exclusively around the budget, but broader input throughout the year may also be useful in the budget process. For example, the city of Auburn has done citizen surveys that are not specifically related to the budget, with the results used later in budget prioritization (Watson, Juster, and Johnson 1991). A national survey of city managers found that input gathered throughout the year is commonly used to determine community needs during budget preparation, and respondents generally consider this to be effective (Ebdon 2000a). Perhaps conclusions about participation and outcomes are understated in the literature because our definitions are ambiguous, lacking clarity and uniformity.

Table 2 summarizes the normative conclusions in the literature and recaps the practical problems that cities encounter in fostering citizen participation. The final column articulates the gaps in our knowledge concerning budget participation.

Fostering Discipline in Theory Building

When considering citizen participation, perhaps the only conclusion that scholars and practitioners can agree on is that it is an extremely complex issue. There are multiple variables within each element, but also within each variable, there are choices in the range of

Table 2 Current Knowledge on Citizen Participation in Budgetary Theory

Elements of Budgetary Participation	Conclusions from Literature	Practical Participation Problems	Gaps in Knowledge
Environment	<ul style="list-style-type: none"> • Difference by form of government • Culture affects perception of need for citizen participation • Laws often dictate citizen participation • Larger cities use citizen participation to foster access 	<ul style="list-style-type: none"> • City officials may question the need for input or lack of access, or they may find it difficult to use input to shape budget decisions 	<ul style="list-style-type: none"> • Mostly case studies or results drawn from surveys intended for broader purposes • Have not studied the interaction between variables
Process design	<ul style="list-style-type: none"> • Important to consider timing and representativeness • Need to structure process to reveal sincere preferences and willingness to pay 	<ul style="list-style-type: none"> • Hard to make sure participants are representative • Takes time and effort to educate before providing input 	<ul style="list-style-type: none"> • Need to study participation at multiple levels of government, not just cities
Mechanisms	<ul style="list-style-type: none"> • Communities try many, alone, or in combination • Each has weaknesses and few are institutionalized 	<ul style="list-style-type: none"> • Often foster one-way communication • Not institutionalized • May occur too late in the process 	<ul style="list-style-type: none"> • Weak documentation of the outcomes of participation
Goals and outcomes	<ul style="list-style-type: none"> • Can undertake processes to enhance trust or sense of community, but often for education, gaining support, or influencing decisions. Outcomes can seldom be demonstrated as a direct result of CP. 	<ul style="list-style-type: none"> • Goals are seldom articulated in advance • May differ among participants, leading to varying expectations • Costs may exceed benefits in terms of changing allocations 	<ul style="list-style-type: none"> • Concepts are consistently ambiguous across studies, lacking conceptual precision

coverage. In the evaluation literature, Mohr (1988) wrestles with the complexity caused by varying levels of inputs, activities, and outcomes through the impact model. The impact model uses program theory to reflect the increasing desirability and difficulty of attaining higher-level outcomes that lead to the ultimate program impact. We use this tool to model citizen participation. As the impact model presented in figure 1 shows, there are different levels of inputs that can lead to different types of outcomes in citizen participation. Looking at this model, the three key elements that represent inputs (environmental, process design and mechanism variables) and process activities are presented on the top half of the model. They are arranged from left to right to represent a continuum of conditions ranging from least supportive to most supportive of citizen participation. These different combinations of inputs lead to different outcomes ranging from one of the easiest and quickest outputs that can be achieved—informing the public—to the ultimate impact desired: enhancing trust and building a sense of community, or in Mohr’s (1988) terms, happiness!

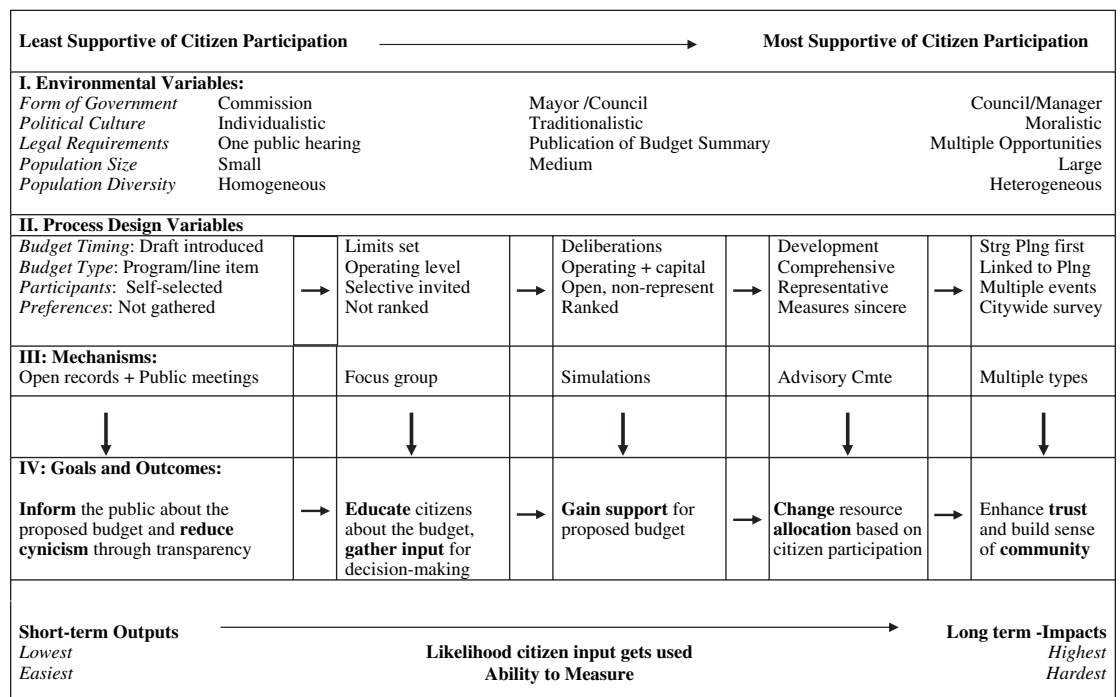
Using the impact model of citizen participation in budgeting, we see there are a number of theoretical linkages that could be explored in further studies. The bivariate relationships between each of the inputs and the outcomes must first be confirmed. Do changes in the independent variables lead to enhanced outcomes? Then, the next step would be to investigate the inter-relationships between the independent variables and the dependent variables. At this time, it is necessary to

sort out whether goals represent an input or an outcome. We suspect that repetition in citizen participation exercises creates a feedback loop, making a linear representation of the model overly simplistic. But until this relationship is established, more sophisticated models are not necessary.

Of course, the operational and predictive validity of the model must be established. Conceptual validity is partially validated by using the extant literature to define terms. However, to test the face validity of the concepts in the model, it is recommended that practitioners be consulted to give their overall impression of the impact model and suggest modifications based on their experience. Using the proposed research design—external validity assuring predictive validity—generalizability and reliability of the model can be proved.

Conclusion

Currently, governments at all levels are dealing with serious fiscal issues that require painful decisions on taxation and service provision. There is a disconnect between what citizens expect from government and what they are willing to pay—or, perhaps, we have not utilized participation techniques to adequately capture this information. As Arnstein concludes, “There is a critical difference between going through the empty ritual of participation and having the real power needed to affect the outcome of the process” (1969, 216). Participation can be very useful in educating the public about key trade-offs and gaining valuable input from citizens about their priorities and



Strg Plng, = strategic planning; Represent = representative.

Figure 1 Impact Model of Citizen Participation in Budgeting

preferences. Working with them to make these connections encourages citizens to participate in a more knowledgeable fashion rather than simply demand that their fire station or library remain open without tax increases or other service cuts. We do have a number of examples of cases in which participation has been successfully used, but there is much that we do not know and have not systematically considered.

There is a disconnect between what citizens expect from government and what they are willing to pay—or, perhaps, we have not utilized participation techniques to adequately capture this information.

This paper has developed a typology of elements and variables that are important in developing and implementing citizen participation in the budget process. We have also discussed what is actually known about these factors and their components and where gaps exist in our knowledge about participation. Using this information, we have presented a logic model that suggests there are ways to structure participation inputs differently based on the level of outcomes desired. This model can serve as a tool for designing a coordinated set of studies to systemically test the implied causal relationships and to see how changing the combination of activities changes the different types of outcomes. In many ways, this is a wide-open area. Much has been written on the importance of participation in the governance process, but we have relatively little generalizable empirical knowledge about the use of participation in budgeting. For this reason, we urge discipline in moving forward in the study of citizen participation.

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